

COORDINATING FEDERAL PROGRAMS: THE CASE OF OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-95

Jerome M. Stam

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ABSTRACT

This report reviews the literature relating to Office of Management and Budget Circular A-95, a regulation designed to promote coordination of Federal programs with each other and with State and local plans and programs. The A-95 regulation attempts to offset a growing tendency among Federal programs to promote multijurisdictional planning that is often uncoordinated in geographics, function, and organization. A-95 contributions to effective substate regional planning and action have been considerable, but better information dissemination and training about how A-95 operates is needed.

Keywords: Multicounty districts, Governmental aid, Federal, Programs, Grants, Coordination, Review, Regions, Rural development.

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The Author

The author, Jerome M. Stam, is Leader of the State and Local Government Program Area; Economic Development Division; Economics, Statistics, and Cooperatives Service; U.S. Department of Agriculture.

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SUMMARY

This report reviews issues and problems relating to a Federal Government effort to coordinate Federal and federally assisted programs with each other and with those of State, areawide, and local jurisdictions.

This effort, embodied in Office of Management and Budget (OMB) Circular A-95 issued in 1969, aims to offset a growing tendency among Federal programs to promote areawide or multijurisdictional planning that is often uncoordinated in geographics, function, and organization. The A-95 regulation now covers 259 Federal programs, and there are more than 300 A-95 clearinghouses in nonmetropolitan areas to help assure coordination between proposed federally assisted projects and efforts of other levels of government.

Issues reported by this review of A-95 literature focus on differing perceptions of the OMB circular, differing evaluation criteria, coordination, coercion versus cooperation, lack of Federal agency compliance, channels of communication, clearinghouse reviews, and citizen involvement in the planning and review processes.

A-95 contributions to effective substate regional planning and action have been considerable, but better information dissemination and training about how A-95 operates is needed, the report says.

Important precursors to A-95, including the Model Cities Act and the Intergovernmental Cooperation Act, are traced as a background to the review.

COORDINATING FEDERAL PROGRAMS:

The Case of Management and Budget Circular A-95

Jerome M. Stam

INTRODUCTION

This reports reviews the history, problems, and issues relating to Office of Management and Budget (OMB) Circular A-95. This circular is a regulation promoting coordination of Federal programs with each other and with State and local plans and programs.

The basic objective of A-95 "is to foster intergovernmental cooperation by giving State and local governments an opportunity to influence Federal and federally assisted actions as they might affect State, areawide, and local plans and programs," according to OMB (43, p. 3 exec. sum.).^{1/} It was intended to be basically a policy neutral program (43, p. 3 exec. sum.).

Issued in 1969, the circular "has been the subject of extensive governmental and academic research and evaluation" (43, p. 1). Views have varied widely from regarding it as ineffectual paperwork to a coercive instrument. This review focuses on literature resulting from various evaluations of A-95.

Expansion of the Federal grant-in-aid system in the sixties and seventies generated in large part the need for A-95. The 160 Federal categorical grant programs available for State and local governments in 1962 (5, p. 94) grew to 379 by 1967, 442 by 1975, and 492 by 1978 (1, p. 1; 2, p. 1; 3, p. 25). This growth has led to a number of efforts to improve intergovernmental coordination.

A-95, along with a number of other Federal programs and actions, had a significant impact on the delineation of multicounty substate districts and the formation of regional councils. Only four States had designated a statewide system of substate districts in 1965 (7, p. 236). The total grew to 23 States in 1970, 40 in 1972, and 45 in 1976 (7, pp. 236-237; 8, p. 9; 19, p. 17). With only 62 substate districts designated by 1965 (1, pp. 238-239; 19, p. 17), the total grew to 355 in 1970, 488 in 1972, and 530 in 1976 (7, pp. 222, 238-239; 8, p. 9; 19, p. 17).

Federal support for substate regionalism grew during the sixties and seventies. For example, only five Federal programs used an areawide approach to community problems in early 1964 (9, p. 54). By 1972, these programs numbered 24 and by 1976 some 32 Federal programs supported substate regional activities (7, pp. 2, 215; 8, pp. 9-17). A large number of multipurpose and special purpose units were formed as a result of these programs. Such multipurpose units are typically councils of governments (COGs) or regional planning commissions (RPCs). There are today about 2,000 substate

^{1/} Underscored numbers in parentheses refer to items in the Literature Cited section.

regional councils (11, p. 2; 36, p. 3; 39, p. 7). About 675 of these are multipurpose regional councils; the balance are federally induced single purpose areawide units of various types (31; 36, p. 3).

A-95 has played an important coordinating role in nonmetropolitan areas. Over 300 of the 550 A-95 areawide clearinghouses in 1977 were in nonmetro areas, according to OMB. Such clearinghouses evaluate applications for Federal grants and provide liaison between Federal agencies and State, areawide, and local agencies (41, p. 2). A-95 was partially developed "to offset a growing tendency among Federal programs to promote areawide or multijurisdictional planning for various purposes" (44, p. 35). Such activities were uncoordinated geographically, functionally, and organizationally. This often led to a substantial drain on already limited planning expertise in non-metro areas (44, p. 35).

Many rural governments need much technical assistance to aid their officials (22, pp. 173-174; 37, pp. i-ii, 5-6, 10, 12). Such governments are diverse and much of the assistance has been highly functional (22, pp. 172-173). Regional councils often play a key role in providing technical assistance to local governments in nonmetro areas "where talent is thinly spread" (34, p. 221). In fact, the regional council may be the "only governmental organization with substantial professional and managerial expertise" in many nonmetro areas (7, p. 270; also see 8, p. 5). Smaller communities need assistance with project design, planning, and in even locating qualified advisors (34, p. 220; 43, p. 27). In assisting nonmetro local governments to deal more effectively with their problems, regional councils have been characterized as (1) regional chambers of commerce, (2) industrial development organizations, (3) grantsmen and promoters, and (4) technical assistance agents (7, p. 270).

PRECURSORS TO A-95

A-95 had a number of important precursors. McDowell reported that A-95 grew out of the concept of mandatory referral powers associated with the planning enabling acts in the early portion of the century (28, p. 1). Such powers were a part of the Standard Planning Enabling Act that the Department of Commerce issued in the twenties (28, p. 1). This part of the act was a planning-based requirement that did not go into effect until a community's master plan was adopted.

Another predecessor was the Department of Housing and Urban Development (HUD) open-space program of the early sixties (28, p. 2). Projects could only be funded if they were important to the implementation of a comprehensive plan. The recipient received an additional 10 percent in Federal money if the comprehensive plan had area-wide coverage (4, p. 16).

The Advisory Commission on Intergovernmental Relations (ACIR) first investigated planning and review requirements in 1964 (4; 28, p. 3). The 1964 ACIR study found 43 Federal programs with a direct impact on local government organization and planning (4, p. 185; 10, p. 192). These were physical development programs and only five took an explicitly areawide approach (10, pp. 192-193). ACIR recommended that: "(1) the Congress enact legislation to establish the principle of Federal interagency coordination in the full range of programs affecting urban development, and (2) the executive branch of the Federal Government implement the congressionally stated principle by coordinating and adopting a unified urban development policy establishing coordinating mechanisms" (4, p. 37).

It also provided draft legislation similar to Title IV of the Intergovernmental Relations Act, according to McDowell (28, p. 3). This draft was drawn from the 30

years' experience of the Federal Interagency Water Resources Council. This group tried to provide a multiple use framework and develop coordinating procedures for water resource problems handled by such Federal agencies as Agriculture, Interior, and the Corps of Engineers (28, p. 3).

Model Cities

The Federal Government began to take action by the mid-sixties to encourage better coordination of its program activities affecting State and local governments. The Federal planning requirement stick began to more fully join the Federal grant-in-aid carrot. The era of largely voluntary response by State and local officials to the regional movement was drawing to a close by the end of 1965, according to some observers (7, p. 71; 51, pp. 431-432).

The Demonstration Cities and Metropolitan Development Act (Model Cities Act) (P.L. 89-754), signed on November 3, 1966, enabled establishment of areawide planning agencies called city demonstration agencies (CDAs) or model cities in each of the Standard Metropolitan Statistical Areas (34, pp. 91-92, 161-162). A review and comment process was established under its Section 204 involving applications by local metro governments for a variety of Federal grants for public facility construction projects (7, p. 72; 14, p. 14; 23, pp. 70, 118-119, 123-124; 30, pp. 5, 77-78; 43, pp. 1-3, 20; 49, pp. 41-42, 91-92; 52, p. 287). After June 30, 1967, all applications for over 30 Federal loan and grant programs to assist certain types of public works planning and construction activities and for open-space land acquisition in metro areas had to be accompanied by comments of an official State or regional planning agency. Such comments would focus on the relationship of the proposed project to comprehensive planning development of the area (3, p. 252; 7, p. 141). Some argue that the push for Section 204 was not all Federal in nature, but also was the result of State-local efforts to have the tools to use in better coordinating certain Federal aid programs.

The areawide planning requirement was controversial when it was added to the 1966 Act. Nevertheless, the 204 requirement was "obliquely responsible" for the increase in the number of regional councils during the late sixties (49, p. 92). The National Service to Regional Councils (forerunner to NARC--National Association of Regional Councils) has called the Model Cities Act the single most significant Federal action to date for strengthening and encouraging regional councils in metro areas (24, p. 161).

Circular A-80

OMB issued Circular A-80 on January 31, 1967, to improve coordination of federally assisted development planning covering multijurisdictional areas. A-80 detailed the policies, objectives, and procedures for Federal agencies, State governments, and applicants seeking planning assistance. The circular aimed: (1) to encourage State and local development planning agencies to use common or consistent data bases and share facilities and resources, and (2) to encourage States to establish planning and development districts and to call for Federal agencies to use the district boundaries when assisting in planning, unless clear justification existed for not doing so (39, p. 8; also see 7, pp. 190-192).

Circular A-82

OMB issued Circular A-82 on April 11, 1967, to implement Section 204, Title II, of the 1966 Model Cities Act. Section 204 required that all applications requesting Federal assistance for planning or constructing public works projects in a metro area

be submitted to a qualified areawide agency. Such an agency was designated to perform areawide planning, and, to the greatest extent possible, was composed of, or responsible to, locally elected officials. Members of the agency were to review the proposed project and comment on its consistency with area and local comprehensive planning.

Section 204 encouraged development of multipurpose areawide groups, such as associations of governments or comprehensive metropolitan planning agencies, to coordinate federally assisted development affecting more than one jurisdiction. In metro areas lacking such organizations, Governors were to designate an organization competent in comprehensive planning to perform such functions until the local governments could develop their own organizations (39, p. 9; 43, p. 3). Under the Section 204 review and comment provision, most RPCs began to acquire a COG-like character with 50 percent or more of their membership composed of locally elected officials (47, p. 15).

A-82 originally covered 36 assistance programs administered by 9 Federal agencies (40, p. 5). These programs were associated primarily with construction and physical facilities. A-82 was revised twice with altered coverage eventually including 37 Federal programs (40, p. 5).

Intergovernmental Cooperation Act

The Intergovernmental Cooperation Act of 1968 (P.L. 90-577) established a statutory basis for extending the Section 204 areawide review and comment procedure. Regulations issued to implement Title IV of the 1968 Act authorized establishment of State and nonmetro clearinghouses to review applications for designated Federal grant programs in addition to the metro review agencies designated under Section 204 (3, p. 252; 7, p. 73; 14, p. 14; 23, p. 70; 30, pp. 5, 77; 43, pp. 1-3, 20; 49, p. 52; 50, pp. IV-1-IV-3). One major improvement in this act was that it covered both metro and nonmetro areas, according to McDowell (28, p. 6). Even though legal authority existed based on this act, actual application of it in nonmetro areas may have been less than implied above. For instance, ACIR has observed that Federal aid review and comment procedures did not become effective in nonmetro districts until 1969 through A-95 (7, p. 273).

The 1968 Act proclaimed a national policy of intergovernmental coordination and cooperation (40, pp. 3-4). Moreover, according to ACIR, the 1966 Model Cities Act and the 1968 Intergovernmental Cooperation Act "both have established a Federal policy favoring general purpose government, but many Federal programs still deal directly with special districts" (6, p. 106).

A-95 IN DETAIL

A-95, issued on July 24, 1969, "is a regulation designed to promote maximum coordination of Federal and federally assisted programs and projects with each other and with State, areawide, and local plans and programs" (44, p. 1). Its statutory basis is Section 204 of the 1966 Model Cities Act and Title IV of the Intergovernmental Cooperation Act of 1968 (44, p. 2). A-95 also incorporated and broadened A-80 and A-82 (39, p. 10; 43, pp. 2-3; 44, p. 2).

The circular has four parts:

1. Part I establishes the Project Notification and Review System (PNRS), and is the best known and most influential of the four parts. It is: "The primary element of the entire A-95 review process," says Brown (13, p. 6). PNRS is a means by which State, regional, and local governments are given the

opportunity to review and comment on proposed applications for Federal grants that affect physical development and human resources. These units are to conduct a clearinghouse function. Part I now covers approximately 259 Federal programs as listed in the Catalog of Federal Domestic Assistance. It can strengthen the planning and decisionmaking capabilities of affected jurisdictions by impelling them to consider the impact of Federal programs on their jurisdictions. It can also enhance their ability to influence that impact. Part I superseded and amplified OMB Circular A-82 (5, p. 217; 43, p. 3).

2. Part II creates the framework for a similar review and comment system applicable to direct Federal development projects. A system is not prescribed, but use of the PNRS by Federal agencies is encouraged.
3. Part III gives Governors the opportunity to review and comment on State plans required under Federal programs. It encourages State comprehensive planning and gives the Governor and aides a handle for exerting policy influence over functional specialists.
4. Part IV provides for the coordination of Federal planning and development districts with State substate districts. It encourages States to exercise leadership in establishing a system of substate districts which can provide a consistent geographic base for planning and coordinating Federal, State, and local development programs (5, p. 249). It is closely related to Part I because, by encouraging States to develop systems of substate planning areas, it sets the stage for more complete geographic coverage of PNRS (44, p. 35). Part IV incorporated the policies outlined in A-80 without much change (39, p. 11; 43, p. 3).

Participants

Initially, there were four major institutional participants in the A-95 review process: (1) OMB, (2) areawide and State clearinghouses, (3) local and State governments/agencies applying for Federal aid, and (4) Federal agencies. Federal Regional Councils (FRCs) were added to the list in 1974. OMB delegated responsibility for daily oversight and implementation of A-95 to the FRCs, with OMB retaining responsibility for overall administration and policy control of the circular (21, pp. 1-2). OMB currently lists the following major actors in the A-95 review process: (1) applicants for Federal assistance; (2) Federal agencies which provide the assistance, and (3) clearinghouses along with their constituent governments and agencies which review the applications (43, p. 20).

Clearinghouses

The general function of the clearinghouses authorized by A-95 are: (1) to evaluate the significance to State, areawide, or local plans of proposed Federal or federally assisted projects; (2) to notify appropriate local and State agencies of the applicant's intent to apply for Federal assistance, including those agencies authorized to develop and enforce environmental standards; and (3) to provide liaison between Federal agencies contemplating direct Federal development projects and the State or areawide agencies or local governments having plans or programs that might be affected by the proposed project (27, p. 3).

"There is no common agreement as to what an effective clearinghouse/COG does," argues Mogulof (30, p. 18). However, according to a recent OMB assessment, "the particular cooperative function of clearinghouses in the project notification and

review system is the collection, classification, and distribution of information among and between applicants, State and local government, and ultimately the Federal decisionmaker so that facts and opinions are widely known by those with related responsibilities" (43, p. 5). This, of course, includes the areawide clearinghouses' own evaluation of projects.

A-95 authorizes two types of clearinghouses: State and areawide (38, p. 9; 43, p. 4). State clearinghouses are designated by the Governor and are usually the State comprehensive planning agencies. Areawide clearinghouses cover substate areas. (There are a number of interstate clearinghouses covering bi- or tri-State metro areas.) Areawide clearinghouses are usually part of comprehensive substate planning agencies. OMB designates areawide clearinghouses covering metro areas in concurrence with the Governor (38, p. 9; 43, p. 4). The Governors, however, designate the areawide clearinghouses in nonmetro areas (43, p. 4).

Areawide clearinghouses mainly stemmed from HUD's 701 planning money coupled with authority derived from A-95 (35, p. 296). This is a result of the Federal Government's attempt at insuring better areawide planning and project coordination. One observer has called it the "clearinghouse planning grant scheme" (30, p. 2 preface). Most of the clearinghouses are COGs and, because of the important role historically of HUD and OMB, perhaps it should be called the HUD/OMB/COG planning grant scheme. See (30, pp. 65-66, 72-73, 95-96, 110-120; 43, pp. 5 exec. sum., 1, 26).

The term clearinghouse is not strictly defined in A-95 (40, p. 13; 44, pp. 5, 12). The reason is that Federal officials desire to accommodate institutional variations in response to A-95. Thus, the areawide clearinghouses are frequently COGs; the State clearinghouse, as just noted, is usually the State comprehensive planning agency designated by the Governor, although sometimes other agencies are utilized to carry out the review (27, p. 3).

Paperflow

The PNRS, with its notification of intent (NOI) or early warning system, is a most important part of the A-95 process. The early warning system set up under Part I of A-95 linked areawide comprehensive planning with local project applications and formally assigned generalist-oriented regional councils the communication, coordination, and monitoring responsibilities in the Federal grant process (1, pp. 73, 144-145; 35, p. 297). This had a significant impact on the importance of these councils. Although important, the mechanics of PNRS and its paperflow generally make for quite tedious reading when described in great detail as it often has been in the literature (7, pp. 143-155; 13, pp. 38-51, app.; 14, pp. 15-16; 40, pp. 6-13, 30-34, 61-62; 44, pp. 8-19, 28-34, exh. 1). Only a summary is presented here.

Applicants for assistance under some 259 Federal programs are required to notify both the State and areawide clearinghouses of their intent to apply for assistance. Upon clearinghouse request, they must later submit the completed application for clearinghouse review. In order to avoid undue delays in processing applications, clearinghouse review is limited to a maximum of 60 days (30 days for the review of NOI and 30 days for review of the final application). The clearinghouse examines to apply in order to identify potential conflicts between the project and existing State or areawide plans and policies. It must advise the applicant within 30

days of any issues raised by the proposal, and arrangements are made for their resolution.^{2/} Where any problems remain unresolved, the applicant must submit the completed application for review and comment by the clearinghouse. All clearinghouse comments on the final application must be provided within 30 days and they become part of the application submitted to the Federal funding agency. Where no problems are identified, the clearinghouse signs off on the NOI and the applicant is free to submit the application without further clearinghouse involvement.

Clearinghouse reviews at the areawide level are largely accomplished by the planning agency staff, which is usually familiar with applicable areawide plans. Individual jurisdictions or other agencies are asked to comment on the relationships between the proposed project and their own plans and programs. Local chief executives may also request that the clearinghouse send them copies of all NOIs for projects in their jurisdiction. Project reviews at the State level, in contrast, are usually accomplished by referring the applications to other agencies for their comments, rather than by inhouse examination of proposals.

The PNRS process promotes communication between areawide planning agencies and applicants, and increases the possibility that potential conflicts can be identified and resolved locally. Where conflicts are not resolved locally, however, the requirement that clearinghouse comments be made a part of the grant application gives clearinghouses an opportunity to influence the decisions of Federal funding agencies. Clearinghouse comments are only advisory, however.

Program Coverage

The original A-95 procedure affected 51 Federal programs, primarily in planning and direct physical development (3, p. 252; 7, p. 145; 20, p. 49; 40, p. 5; 49, p. 93). The list had been expanded to 100 programs by April 1971, including many focusing on social and human resources (3, p. 252; 7, p. 145; 20, p. 49; 27, p. 2). Coverage was extended to another 35 programs in November 1973, including health, adult and vocational education, job opportunity programs, and rural development (20, pp. 49-50). The General Accounting Office (GAO) reported coverage as of February 1975 at 138 Federal programs (40, pp. 20-21). The January 1976 revision extended coverage to 199 Federal programs (3, p. 252; 23, p. 137); 259 assistance programs are now covered.

The 259 programs are listed in the Catalog of Federal Domestic Assistance. A single statutory or budgeting program may include several activities listed as separate programs in the catalog (43, p. 3). State-funded projects are not required to come under A-95 review (23, pp. 132, 136-137). The actual situation regarding clearinghouse review of State-funded projects thus depends on State authorities and actions.

A-95 was originally intended to cover those Federal programs that may impact on State and local plans and programs but not those Federal research assistance, individual assistance, and other programs with little or no impact on State and local plans and programs in any direct or manageable sense (43, pp. 16-17). Coverage has been based largely on the extent to which any program might conflict, overlap, or duplicate another within or among State agency or local government jurisdictions (43, p. 25). Clearinghouse review was to expose such conflicts or duplications of effort. Some Federal programs now covered are so small that Part I of the A-95 coverage should be

^{2/} No specific format is required for the NOI, but some clearinghouses have developed their own forms (44, p. 14). However, the Federal Government issued Standard Form (SF) 424 in late 1975 that must accompany all State and local government grant applications (44, p. 14).

restudied to determine which programs or program elements now covered produce little or no payoff to A-95 objectives through clearinghouse review, according to OMB (43, p. 25).

Subject Matter Coverage

The subject matter of the comments and recommendations made by the clearinghouses aims at ensuring consistency with State and local comprehensive planning and with Federal law (27, p. 3). Some categories identified for comment are: (1) appropriate land uses, (2) development and conservation of natural resources, (3) balanced transportation systems, (4) adequate outdoor recreation and open space, (5) protection of areas of unique natural beauty or of historical or scientific interest, (6) properly planning community facilities, (7) high standards of design, (8) environmental impact, (9) effects on energy resources, (10) extent to which businesses will be displaced, and (11) effects on balanced patterns of settlement.^{3/}

Geographical Coverage

There were 550 areawide clearinghouses in September 1977 of which over 300 had been designated by Governors in nonmetro areas (41, p. 2).^{4/} (OMB designates clearinghouses in metro areas, but seeks concurrence of Governors in such actions.) The areawide clearinghouses covered 2,650 counties, approximately 80 percent of the land area of the contiguous 48 States, and embraced about 95 percent of the population (41, p. 2). All but 50 areawide clearinghouses were of the COG variety (41, p. 2).

There were 56 State and territorial and 555 areawide clearinghouses in May 1978 (43, pp. 1 exec. sum., 4, 19). (524 were intrastate clearinghouses, 24 bi-State, and 7 were tri-State (43, p. 4).) The 555 areawides covered 2,724 counties and 96 percent of the population (43, p. 4).

Funding

There has been no direct Federal funding of the A-95 activity, but fungibility of funds under a number of Federal programs has provided a majority of the money for it (44, pp. 29-30).^{5/} For example, the HUD Section 701 planning program recognizes A-95 as an eligible work activity for 701-assisted agencies, many of which are also A-95 clearinghouses (38, p. 9). Matching funds (including administrative overhead and salaries) are required for a 701 grant on a two-thirds Federal, one-third local basis (38, p. 9). A 1976 HUD study indicated that 701 planning funds provided the greatest source of funding for A-95 budgets in the majority of the State and areawide

^{3/} These are derived from the revised OMB Circular A-95 dated January 2, 1976, which became effective February 27, 1976. For details on the historical development of areas subject to comment, see (7, p. 145; 27, p. 3; 49, pp. 75-96).

^{4/} There were 450 A-95 clearinghouses in April 1975 covering an area in which an estimated 88 percent of the Nation's population lived (7, p. 147). There were 485 A-95 clearinghouses as of July 30, 1974 (47, p. 16). In both instances, 212 served metro areas (i.e., areas containing at least one SMSA). There were nearly 540 areawide clearinghouses as of July 1, 1976 (44, pp. 12, 18).

^{5/} There also have been some other kinds of Federal support. The Office of Economic Opportunity (OEO) funded a computer system called the Federal Aid Controls System (FACS) to process A-95 paperwork. It was demonstrated in Louisiana and then exported to other States, with start-up funding. Nevertheless, the A-95 process has not been all that costly to the Federal government (30, pp. 18-19).

clearinghouses surveyed (38, p. 17). HUD 701 grants constituted the largest source of funds for almost half of the areawide clearinghouses surveyed, while other Federal agencies, especially the Department of Transportation (DOT), are the second largest source (30, p. 116; 38, p. 17; 43, pp. 5 exec. sum., 26). Amendments to the Public Works and Economic Development Act in 1974 also have authorized some assistance for A-95 activities of economic development districts (EDDs) which are clearinghouses (44, p. 29). The metro versus nonmetro orientation of the Federal assistance may vary considerably by program. For example, DOT assistance has been urban-oriented while the Public Works and Economic Development Act help has focused more on nonmetro areas.

A recent OMB survey indicated that State clearinghouses spent over \$4 million on A-95 reviews in fiscal 1976 with slightly under half of this cost coming from Federal funds (41, p. 5; 43, pp. 5 exec. sum., 26). Areawides were estimated to have spent \$8 million to \$9 million nationally on A-95 activities, with about 60 percent of this cost derived from Federal sources (41, p. 5). This averages to less than 2 percent of the areawides' planning budgets. Sixty percent of the States provided some financial assistance to their substate district organizations in 1976, according to ACIR (10, p. 202). However, the total amount was only \$12.6 million and five States accounted for a third of this.

Revisions

Major revisions of A-95 were issued February 9, 1971; November 13, 1973; and January 2, 1976 (14, p. 14; 44, p. 2). Substantive amendments were made March 8, 1972, and August 1, 1979 (38, p. 8). The most recent major revision on January 2, 1976, expanded PNRS under Part I to include a wider array of human resources programs in health, education, and manpower (38, pp. 8-9). It also incorporated instructions for the new A-95 Standard Form (SF) 424 designed to insure that funding agency decisions will be sent to the State and regional clearinghouses from which the applications originate (13, p. 120). The August 1, 1979, amendment encouraged clearinghouses to evaluate the urban impacts of projects proposed for Federal assistance as part of the A-95 review process. The clearinghouses are to comment on the extent to which the proposed project would create a significant impact on central cities, older suburban cities, and other communities within their jurisdiction, including the relative impacts the project could have on one type of place as compared to others. The several revisions made over the years have also accounted for civil rights and environmental concerns.

The primary objective of Part IV of the circular before 1973 was to promote geographic conformity among planning areas through the development of substate districts. For example, OMB issued an October 9, 1971, directive which stated that: "Federal program administrators for 10 major Federal programs should make every effort to use the planning districts designated by the individual States rather than their own planning areas" (15, p. 219; also see 7, pp. 79, 188-220, especially 192-195, 200-201). This conformity was seen as an important prerequisite in developing coordination arrangements among organizations planning on an areawide basis. As substate districting systems were developed by the States, the emphasis of Part IV was modified to improve arrangements for coordinating areawide functional planning, such as health planning, which was generally carried out by organizations other than the designated areawide agencies (39, p. 11).

This change in emphasis was made in the November 1973 revision of Part IV of the circular. The modifications encouraged, but did not require, Federal agencies administering programs assisting or requiring areawide planning to use the designated multipurpose areawide agencies to carry out or coordinate such planning (47, p. 18). Walker and Richter note that as of late 1972 the A-95 clearinghouses themselves were used as the implementing areawide agency for slightly less than half of the federally

encouraged districting and planning activities in their regions (47, p. 18). The 1973 modifications also required that Federal program regulations supporting areawide planning provide for a memorandum of agreement when the organization funded for areawide planning was not the designated areawide agency. This agreement would be between the organization and the designated areawide agency.

PROBLEMS AND ISSUES

The literature contains a significant list of pros and cons regarding A-95 and the process it sets in motion (13; 20, pp. 61-64; 23, pp. 136-137; 27, pp. 7-20; 30, pp. 7, 14-15, 17-18, 29, 48-56, 59, 79, 87, 119; 38, pp. 6, 11, 23-31; 40; 41, pp. 20-31; 43, pp. 2-4 exec. sum., 1, 12-30). Some of the more important A-95 problems and issues will be addressed here. They are not necessarily presented in order of importance and some overlap occurs because of the complex subject matter.

Differing Perceptions

A-95 and its processes have suffered from different perceptions of purpose and intent. A-95 is linked with other complex areas of concern, such as substate regionalism, Federal grants-in-aid, and intergovernmental relations. Each of these topics has its own complex set of issues and A-95 is affected by these. "Facts," values, and beliefs can easily differ or clash under such circumstances.

The evaluation process also is complicated by the fact that A-95 is addressed to a number of objectives that have been added to or modified through time (20, p. 53). Moreover, perceptions of the objectives of the A-95 process by the major participants become a critical point in whether A-95 is judged to be successful or not (30, pp. 7, 18; 38, p. 3; 43, pp. 3 exec. sum., 14-15, 21).

The most negative criticisms have been that the A-95 process is: (1) little more than pro forma duties of informing affected parties of proposed projects, (2) mild, (3) paper shuffling, (4) generally bland, (5) rubber stamping, (6) excessive paperwork, (7) simply a veto process, and (8) only a new layer of review and more red tape in an already painfully slow grant process (13, foreword, pp. 133, 138; 17, p. 227; 20, pp. 63-64; 23, pp. 136-137; 27, pp. 19-20; 29, pp. 119, 123; 30, pp. 17-18, 29; 32, p. 21; 41, pp. 2 exec. sum., 7-8). For example, under the predecessor Section 204 review procedure, only 5 percent in 1968 and 18 percent in 1969 of the reviews completed recommended project changes (49, p. 92). Under the A-95 procedure in 1971, according to one 1972 survey, less than 10 percent of the applications resulted in critical or negative comments being made by the areawide clearinghouses (7, p. 148; 49, pp. 97-98). Moreover, according to clearinghouses responding to the 1972 survey, in fewer than 10 percent of the cases had the comments resulted in the applicant making substantive changes in the application as originally conceived (7, p. 148). Many of the problems surrounding the A-95 clearinghouses allegedly have stemmed from their structure as COGs.

Others argue that A-95 is a rational attempt to improve development and administration of Federal grants-in-aid on State and regional levels. "The only persons who can argue against the objectives of A-95 are those who contend that all Federal aid should be given through revenue sharing," according to one reviewer (27, p. 9). Of course, this view has to do with the categorical grants versus general revenue sharing debate and the idea that only categorical grants need to be closely reviewed and controlled. For a view critical of the Federal categorical grant system, see (18, pp. 40-43). Freeman feels that Federal categorical grants are transforming the Federal system into a unitary one (18).

Some believe that PNRS is beneficial because of the informal process of negotiation between clearinghouse and applicants. They feel that most changes in applications result from the informal A-95 process of discussion and negotiation between applicants and clearinghouses during the application development phase as opposed to the formal review process of the final application (23, p. 137; 38, pp. 3-4; 43, pp. 1-2). A 1977 OMB study surveyed clearinghouses regarding the benefits and liabilities of A-95. Advantages cited by respondents appear to far outweigh liabilities in opinion. There were more negative responses in more populated (250,000 plus) areas (20 percent) than in less populated areas (8 percent) however (41, pp. 11-14).

Differing Evaluation Criteria

The complexity of the A-95 concept makes it difficult to determine what criteria clearinghouses should employ in conducting reviews and thus, more importantly, what criteria are to be employed in evaluating A-95 itself. The literature contains discussions of who does the A-95 reviews and the basis or criteria employed in such reviews (13, pp. 51-53, 137; 28, pp. 11-14). This includes such issues as staff versus policy board reviews, which can be especially troublesome at the areawide level (p. 13-14). It also involves whether the basis of clearinghouse reviews consists of policies, programs, and plans, or . . . the project itself and whatever the reviewer happens to think of it" (28, p. 11).

There also is a problem in what constitutes successful, effective implementation (p. 62). Consider just the planning aspect as an example. The quality of the planning and data gathering processes are central to A-95 review performance (20, p. 1). But the A-95 review often depends on the planning processes, plans, and support data that are either inadequate or nonexistent (13, pp. 12, 129, 135; 30, pp. 14-15, 51, 56, 79, 119; 47, p. 17). Moreover, only eight Federal areawide programs covered districts to do both planning and implementation according to one 1975 analysis (7, p. 17). It is thus questionable if the clearinghouses can evaluate the situation under these conditions; in turn, these aspects of the clearinghouse operations are difficult to appraise.

The A-95 process was intended to include planning, clearance, and evaluation (30, p. 1). However, the latter often has not been performed by the clearinghouses. Some states thus want a more explicit Federal policy that would force the linkage of clearance and planning and evaluation (30, pp. 101, 103; 39, pp. 1-2, 6). The lack of interstate linkages between planning and implementation is a recurrent theme throughout the literature on A-95, planning, and COGs (23, pp. 77-78, 184).

Coordination

A 1978 American Institute of Planners (AIP) study delineated four basic coordination strategies, each with variations. These are: (1) to determine that a single set of program objectives has precedence over all others (rational), (2) to determine that all decisions should be made resolving areas of conflict as they arise (administrative), (3) to determine that program objectives should be collectively resolved (collaboration), and (4) to ignore the issue and resolve conflicts in an ad hoc manner (chez-faire) (12, p. 27).

A relatively small universe of techniques for coordinating functional planning" was identified, the same study concluded (12, p. 45). Formal planning was then discussed in seven major categories: comprehensive planning, A-95 clearinghouse, common data collections, budget reviews, areawide planning agencies, interagency committees, task forces, and environmental impact reviews (12, p. 45). "The A-95 clearinghouse

review is the single most pervasive coordinating technique," the AIP study found (12, p. 48).

The core of the A-95 concept is coordination; this is not an easy term to define, let alone implement (30, p. 16). "Coordination is defined simply as the process by which those who are not directly responsible for making a particular decision are provided an opportunity to influence the decision," according to the 1978 AIP study (12, p. 10). Coordination is sometimes a process, sometimes a result, Sundquist and Davis note (34, p. 17). Some desire a mild form of coordination while others believe it "must be the equivalent of coercion in order to be effective" (20, p. 54; also see 43, pp. 15-16). Moreover, coordination efforts can be frustrated by differing perceptions of program goals, divergent preferences on aspects of implementation, unequal fiscal capabilities, and conflicting political pressures (20, p. 54). Nevertheless, as Seidman has written: "The quest for coordination is in many respects the twentieth-century equivalent of the medieval search for the philosopher's stone" (33, p. 190). "If only we can find the right formula for coordination, we can reconcile the irreconcilable, harmonize competing and wholly divergent interests, overcome irrationalities in our government structures, and make hard policy choices to which no one will dissent," Seidman noted (33, p. 190).

There is no guarantee under A-95 that there will be good substantive reviews under the first three parts of the circular, nor that there will be coordination achieved through Part IV, according to the 1977 GAO study (39, p. 64). "The most overwhelming and blatant failure of the A-95 process is its great difficulty in distinguishing between good and bad applications from a regional point of view," one critic charged (30, p. 53). The COG/clearinghouse structure is also criticized because the reviewed do the reviewing (30, pp. 48, 59). The areawide review process is, however, primarily advisory; Federal agencies are not bound by recommendations of the areawide review body (47, p. 17; 49, p. 95). Thus, a major problem is that even if the clearinghouses conduct meaningful reviews, their comments are important only if accepted by the Federal funding agencies. Some State and local officials feel these comments are routinely ignored. If so, this would make the A-95 process impotent as a coordinating process, with the chief benefit being improved communication at the State-local level with little or no Federal help in enforcing planning decisions. The process does insure that relevant parties in the Federal grant-in-aid process have an opportunity to interact with one another. But, communication may not necessarily facilitate coordination (20, pp. 53-54).

Recent studies of A-95 have concluded that Part IV is not working very well with respect to coordination (41, pp. 18-19; 43, p. 8). Part IV encourages agencies with functional planning grant programs to fund existing substate comprehensive planning units, many of which are A-95 clearinghouses, to develop the required specific program plan, instead of funding separate functional planning agencies locally. This has been done in many cases, but there remain many federally funded special planning units. A-95 requires these units to develop memoranda of agreement with their local clearinghouse to coordinate their activities. The areawide clearinghouses report many cases where memoranda of agreement should exist but do not. OMB's A-95 assessment concluded that the memorandum of agreement requirement has had limited usefulness in securing coordination of areawide planning (43, p. 29). Furthermore, OMB has recommended the opportunity for waiver of the memorandum requirement by means of a letter from the clearinghouse stating that it deemed it unnecessary in selected instances (43, pp. 6 exec. sum., 30). The 1973 amendments dealing with Part IV were often cited, when introduced, as the most significant changes to A-95 since its introduction (41, p. 19). However, the 1977 GAO study asserted that these provisions were not effective (39, pp. 23-51). OMB has recognized that a number of problems need to be overcome before Part IV is fully implemented (41, pp. 2 exec. sum., 18-19, 24-26).

Coercion versus Cooperation

OMB regards A-95 as a "relatively new governmental instrument" (43, p. 20). Numerous reforms and changes have been proposed as amendments since A-95's inception in 1969 (43, pp. 16-20). Some of the more important ones have dealt with topics such as civil rights and environmental concerns (43, pp. 17-18, 21-23). Much of the impetus behind the continuing proposals for change stems from "varying perceptions among Federal agencies, clearinghouse, and State and local governments of what A-95 is, what its objectives are, and how it should operate" (43, p. 14; also see pp. 3 exec. sum., 15, and 21). OMB has tended to resist many proposals for change, however.

Reasons for the OMB resistance are several, but they can be summed up under cooperation versus coercion or advocacy. OMB believes the intent of the laws regarding A-95 is to foster intergovernmental cooperation via a review mechanism, and to foster coordination of Federal activities with comprehensive planning (43, pp. 14-15). OMB thus views A-95 as "a vehicle for conveying information and viewpoints among and between the several levels of government about proposed actions that might affect the plans and programs of any or each" (43, p. 16). Thus, the PNRS aspect of A-95 (Part I) is intergovernmental and cooperative in nature, based on a clearinghouse model, time phased, and evaluative (43, p. 6). Moreover, OMB prefers a flexible A-95 system in terms of structure and operation (40, pp. 13, 29, 55-57; 43, pp. 20-21).

"Cooperation is horizontal i.e., cooperation among equals; coordination involves a coordinator," according to Fesler (16, p. 9). "Four categories of intergovernmental cooperation can be distinguished on the basis of existing practices: information exchange, service contracts, regional planning, and areawide policymaking," Schmandt wrote (32, p. 17). The strength of the A-95 process as a coordinator is a very powerful issue. Some desire A-95 merely to be an instrument of cooperation. But, because of its vertical aspects, it entails coordination and the relative strength of this is often disputed. Proponents of the advocacy or coercive approach would like to see the A-95 system converted to a Federal control mechanism (43, p. 15). They have variously recommended that A-95 ought to be altered to make it an instrument for State/local fiscal control; to enforce civil rights laws; to establish Federal regional clearinghouses; to provide State, local, or citizen control or veto authority over proposed Federal decisions; and many other special purposes (43, pp. 3 exec. sum., 15-21). Instead, OMB has opted for a cooperative, flexible system that can accommodate a diversity of functions and viewpoints (43, p. 15). But this has been a source of some frustration to those holding the advocacy point of view (43, p. 15).

Lack of Federal Agency Compliance

A lack of Federal agency participation and feedback with respect to the A-95 process has been a problem (28, pp. 5-6, 8-10). This situation appears to have improved somewhat in recent years (10, p. 201). Nevertheless, a 1977 OMB study found that A-95 had not been well implemented by Federal funding agencies (43, pp. 2 exec. sum., 14, 22). There was much evidence to support clearinghouse allegations of lack of agency compliance (43, pp. 2, 4 exec. sum., 11-14, 22). A widespread misunderstanding of the objectives and requirements of the A-95 process existed, even among Federal officials (43, pp. 2 exec. sum., 8, 12, 14, 30). Too little information had been supplied in the form of A-95 explanatory materials by the various Federal program offices to grant applicants, according to OMB (43, p. 10).

Despite the problems, however, there was "little evidence of willful evasion of known A-95 requirements on the part of Federal officials" (43, p. 14). OMB recognized that it needed to do a better educational job and supply more training pertaining to A-95 (43, pp. 4-5 exec. sum., 8-9, 13-14, 21-24, 30). Because of a limited support staff, OMB has not actively monitored Federal agency compliance, but has relied upon

complaints from the clearinghouses. GAO has recommended that OMB adopt an aggressive system of positive monitoring (40, p. 67). Nevertheless, the communications process with the Federal agencies has improved in recent years (10, p. 201).

Channels of Communication

Contact and communication are necessary requirements for coordination (40, p. 5; 44, p. 38). Despite some problems, however, at the State and local level, "A-95 has been the most effective single force in our whole history" to open channels of communication, according to McDowell (28, p. 10). Some say that the communications process should not stop with a weak version of PNRS only (notification and processing) as it sometimes does, but it also should lead to management (both policy and resource) and planning roles (28, p. 11). Thus, how far the communication process should go remains an issue (32, p. 18).

Clearinghouse Review Boards

There have been some problems in the A-95 review process regarding the nature of the review body that acts upon applications submitted to the clearinghouses (13, pp. 18-37, 92-98; 28, pp. 13-14). This involves a range of issues relating to the review board, such as its method of selection, constituencies, minority and female representation, and expertise. It also involves staff versus policy board reviews and political factors in clearinghouse evaluations. For example, regional councils "tend to be very much staff-dominated, and the constituency of the staff is the Federal or State agencies which provide the preponderance of financial support for the agency," Hanson noted in 1972 (25, p. 188).

The weaker the basis for review (compilations of recognized policy), the greater the probability that the review is staff opinion and the process reverts back to elected officials for input (28, p. 14). The possibility of political members of clearinghouse review boards putting their own jurisdictions' interests above those of the region is very real (13, pp. 92-98). Weak clearinghouse staffs and inadequate bases for review can open the door wider for political intrusions into the review process.

Citizen Involvement

OMB has encouraged participation of nongovernmental organizations and citizens in the A-95 process (44, p. 17). But, the openness of the A-95 process to public participation can be a sticky issue (28, p. 14). "The most important questions to be asked about the A-95 review process are those concerning the openness of the A-95 process to the viewpoints and contributions of all members of the regional communities served by the clearinghouses," wrote Brown (13, p. 57). This also involves a complex set of problems relating to the involvement of civil rights, women, minority, and environmental groups (13, pp. 61-65). Some observers feel that citizen input in the A-95 process is either ignored or discouraged (13, p. 57). This problem is increasingly discussed in the literature (13, pp. 57-81, 86-87, 136; 28, pp. 14-15).

Timing of Reviews

Another issue has been the timing of reviews (13, pp. 66, 82; 28, p. 15; 44, pp. 18-19). This problem relates primarily to: (1) the degree of advance knowledge clearinghouses possess about projects, (2) whether the application is presented to the Federal agency and clearinghouse simultaneously, or (3) whether it is submitted to the

clearinghouse after the project has been approved (28, p. 15). The second case may harm and the last case may effectively negate the A-95 process. The possibility for informal negotiation and modification is reduced once proposals are submitted to funding agencies. It also is an issue that relates to a number of other problems such as Federal compliance and channels of communication.

While submission for A-95 clearance either simultaneously or after submission to the agency may negate the potential for eliminating the project, it may still allow for some modifications which may be needed to accommodate other priorities. Some observers believe the major utility of the A-95 process is for communication and opportunity to comment on broader implications of projects. Moreover, most clearinghouses do not have staff to work with all proposals from inception, so they must concentrate their efforts on clearinghouse review and analysis.

Difficulties with Reviews Relating to Type of Application

Certain types of applications have attracted more criticism and have more difficulty with the clearinghouse. And, certain types of projects have caused more difficulty in the application and review processes for the clearinghouses.

With regard to the first point, more funds have usually been available for physical as opposed to social planning. Physical planning has been the more established portion of the planning profession and, thus, most clearinghouse agencies have had more physical than social planning staff (13, p. 27). Two types of applications are most susceptible to substantive or political problems in the review process. Highly technical physical development projects often receive questions or criticisms from reviewers, usually about specific details of the proposal, according to Brown (13, p. 83). Brown also notes that social service, manpower, and health program applications, especially those run by or for minorities and the disadvantaged, also have been frequently criticized by clearinghouse and outside reviewers (13, p. 84). Comments from local government officials "seem to be especially prevalent and troublesome" for these applications (13, p. 84).

With respect to the second area, block grants are much more encompassing than the typical categorical grant; they may be funded via an objective allocation formula. The broad nature of block grants thus creates difficulty for the reviews regarding what evaluation criteria to use. The specific projects and their potential impacts tend to be submerged in the overall application. The formula funding can create a bottleneck problem because allocations may be determined at one time (28, p. 18). Hence, all applications arrive at the clearinghouse at the same time. Also, any planning component involved gets submerged in a block grant and is not easy for the clearinghouse to evaluate (28, p. 18).

Evaluation of planning grant applications has generally given the clearinghouse difficulty (28, pp. 18-19). There were 162 Federal assistance programs in 17 Federal agencies which impose planning requirements as a condition for receiving financing assistance, according to a 1977 OMB study (42). Of the 162 planning programs, 99 imposed requirements at the State level, 25 at the areawide level, and 38 at both levels (45, p. 236). Evaluation of planning applications creates difficulty for the clearinghouses conducting the review, "because what they contain is a proposed work program that is going to turn out policies later" (28, pp. 18-19). Planning program policy implications are basically unknown. Thus, any A-95 review of planning applications cannot really treat development or program policies as it would an application for a specific development project. There are some ways that clearinghouses may partially cope with the planning evaluation problem. McDowell has advocated review of the prior impacts of any ongoing program for which additional funding is being

requested (28, p. 19). This may work somewhat where a "track record" exists. However, evaluation of planning grant applications is likely to remain troublesome for clearinghouses.

Workload, Staff, and Funding

The A-95 review process has added work for the already busy regional council staffs. This has been an issue because no special direct A-95 funding has been available from the Federal Government (28, pp. 15-17). OMB itself has "devoted only limited staff to administering Circular A-95" (40, p. 66).

Many clearinghouses would like to see more Federal funding for their A-95 operations (13, pp. 15-16, 122, 130-134; 41, p. 26; 43, pp. 2, 5 exec. sum., 8, 26). State clearinghouse costs range from \$10,800 to \$200,000 with an average cost of \$61,883 (per review, the respective figures were \$2, \$868, and \$40), according to a 1977 OMB survey (41, pp. 6, 26). The average increase in Federal funding desired was 67 percent. Survey results showed that areawide costs ranged from \$456 to \$503,744 with an average of \$15,872 (per review figure was \$94) (41, pp. 6, 26-27). Over 80 percent of the areawides desired an average budget increase of 60 percent for A-95 purposes (41, p. 27).

Many clearinghouses do not understand the eligibility of A-95 expenses under Federal Management Circular (FMC) 74-4 as direct or indirect costs under various Federal programs and Federal agency practices in allowing these costs are inconsistent, OMB argues (41, p. 27; 43, pp. 26-27). Federal Management Circular (FMC) 74-4 establishes principles and standards for determining costs applicable to grants and contracts to State and local governments. Many clearinghouses, especially those in nonmetro areas, fund the bulk of A-95 costs locally, allegedly due in major part because of a lack of knowledge about Federal programs (41, pp. 5-6; 43, pp. 8-9). This is especially serious in nonmetro areas where clearinghouses may be the only source of technical assistance; this is a major activity of the clearinghouse (41, pp. 6-7; 43, p. 27).

CONCLUSIONS

A coordinated set of regional activities is an A-95 goal. Yet, separate Federal programs continue to go their separate ways and "A-95 lacks fully effective means of implementation," according to ACIR (10, p. 202).

OMB has reaffirmed its view that A-95 is intended to be a neutral and flexible program designed to encourage intergovernmental cooperation (43, pp. 3 exec. sum., 14-16). Moreover, OMB's 1977 assessment, recognizing a number of A-95 shortcomings, indicated that A-95's potential is far from being realized (43, p. 1 exec. sum.).

"There is considerable misinformation or misunderstanding of OMB's intent for A-95, indicating a need for education and training on A-95 and its relation to Federal programs among all participants in the process," OMB concludes (41, p. 7). "There is a mystique about A-95 indicating lack of knowledge of OMB's intent for the circular." For example, "In some areas it is believed that clearinghouses wield a veto power through A-95, and one suspects that the clearinghouses do little to dispel this belief" (41, p. 7). In field studies, "we repeatedly heard reference to the 'mystique' of the A-95 process," Mogulof wrote in 1971 (30, p. 87). "A-95 is an unusual regulation. Its deliberate restraint in requiring uniform procedures while urging extensive voluntary cooperation is more difficult to administer than more specific directives," OMB noted in 1977 (41, p. 26).

OMB has recognized the need for a continuing A-95 assessment and has offered a number of recommendations (43, pp. 21-30). Simplification, modification, and streamlining of the circular itself are cited (43, pp. 24-30). A-95 should require little paperwork, according to OMB (43, pp. 24-25). The program coverage under Part I in OMB's view needs to be reexamined (43, p. 25). Moreover, OMB officials feel that Part II needs to be extended from a coverage of direct Federal development activities to include clearinghouse involvement on Federal agency activities pertaining to the granting of licenses and permits for physical development projects (43, pp. 3-6, 28).

"Much of the poor performance is due to inadequate understanding of A-95 and the processes and procedures it sets in motion," OMB continues to maintain (43, p. 30). An illustration of the lack of information is the fact that OMB has had to inform clearinghouses that they are not required to review every application (43, p. 30). When clearinghouse resources are limited, it may be necessary to waive review of all but highly significant proposals (43, p. 20). A better job of information dissemination and training regarding A-95 must be done for all participants, OMB says (43, pp. 21, 30).

A-95's impact has been considerable, despite the controversy it generates. "The Federal regulation having the greatest effect upon metropolitan structure is Circular A-95," according to Hallman (23, p. 136). It "has been the strongest force behind the promotion of regional confederation. This is why confederation, weak though it may be, is today the most common pattern of government in metropolitan areas," he said (23, p. 137). Hallman defines confederation as "a political science concept of governments uniting for common purposes but with the member governments themselves retaining their independence and supremacy" (23, p. 66). It, along with unification, federation, and multiplicity, in his view, comprise the four principal theories of metropolitan organization (23, pp. 145-146).

A-95's future as an instrument of cooperation, coordination, or coercion is likely to be largely determined by the values held by the public and actions taken by the Government in such complex areas as Federal grants-in-aid and intergovernmental relations. Thus, the future of the umbrella multijurisdictional organization (UMJO) concept is vital to the role of A-95 and the type of control it may exert (7, 8, 39). The Magnuson-Ashley bill, introduced to the 94th and 95th Congresses, essentially would have established UMJO's on a national scale. But, more important than actual geographical coverage, it would have created a quite strong regional council coordinative authority over designated Federal planning and aid programs. Such developments hold much potential importance for the future of A-95.

States also can play a critical role in establishing stronger substate regional councils (8, p. 32; 26, p. 175; 30, pp. 33-37, 63, 95-99, 121; 39, p. 59; 46, pp. 22, 27; 48, pp. 257-259). There are limits to how much Federal actions can influence allocation of planning and other responsibilities at the State and substate levels. Some States have extended program coverage of A-95 to selected State programs (28, pp. 19-20; 40, pp. 19-22; 44, p. 28). The comprehensive substate planning agency tends to be the preferred or mandated instrument in a number of States, with a higher incidence of piggybacking of single purpose Federal programs on the designated regional council thus occurring. Determined State efforts can overcome Federal administrative obstacles to integrated areawide planning and coordination (39, p. 59).

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